

Article - Health - General

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§15–122.2.

(a) In this section, “converted funds” means the amount received in payment by a person from an insurer for the cost of health services provided to a child which was not used to reimburse the Department for Medicaid costs incurred.

(b) Each year the Department may refer to the Central Collection Unit of the Department of Budget and Management for certification to the State Comptroller the name of any person who has received converted funds for the interception of any State tax refund.

(c) The Department shall notify the person certified under subsection (b) of this section that a certification has been made by the Department.

(d) The certification by the Central Collection Unit shall include, if known:

(1) The full name of the person certified and any other names known to be used by that person;

(2) The address and the Social Security number of the person certified; and

(3) The amount of the converted funds.

(e) The State Comptroller shall:

(1) Pay to the Department any income tax refund due to the person certified in an amount not more than the amount certified by the Department;

(2) Pay to the person certified any part of the income tax refund over the amount of the converted funds; and

(3) Notify the person certified of:

(i) The amount paid to the Department; and

(ii) The rights of the person certified under subsection (b) of this section.

(f) (1) On receipt of a notice of intercept from the State Comptroller, any person certified by the Department who disputes the existence or amount of the converted funds may file an appeal in accordance with Title 10 of the State Government Article.

(2) If the Department finds that an excessive amount was withheld from the person's income tax refund, the Department promptly shall pay to the taxpayer the excess amount withheld.

(g) The Comptroller shall honor refund interception requests in the following order:

(1) A refund interception request to collect an unpaid State, county, or municipal tax;

(2) A refund interception request under § 10-113 of the Family Law Article for arrears of support payments;

(3) A refund interception request for converted funds under this subtitle; and

(4) Any other refund interception request.

(h) The Secretary and the State Comptroller may adopt regulations to carry out this section.

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